

Endress+Hauser Canada Ltd.

Forced Labour in Canadian Supply Chains Report

(Fiscal Year 2023)

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1. Introduction

Endress+Hauser is a leading global supplier of measuring instruments, services and solutions for industrial process engineering. Our corporate culture indicates that we conduct our business responsibly and ethically. We care about the well-being of individuals, the welfare of society and the good of the environment. Our customers, employees and shareholders can expect us to uphold our values and protect the Endress+Hauser brand. We are convinced that integrity and ethical behavior are among the essential pillars of a sustainably successful company. Sustainability is one of our four (4) brand values and encompasses both environmental and social responsibility.

The Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) requires that businesses state actions they have taken during the fiscal year to prevent and reduce the risk of forced labour or child labour within their operations and supply chain. This is a report for Endress+Hauser Canada Ltd., which refers to the 2023 fiscal year and describes steps taken in 2023.

A copy of this report can be download from
<https://www.ca.endress.com/en/general-terms-and-conditions>

2. Steps taken to prevent and reduce the risk of forced labour or child labour.

Training

All Endress+Hauser employees worldwide are regularly exposed to and trained in the Code of Conduct. The Endress+Hauser Code of Conduct defines our fundamental rules of conduct and reflects the expectations of our behavior in our daily business activities. We live a zero-tolerance policy with regard to compliance with forced labour and child labour, human rights and environmental due diligence obligations. Where misconduct is identified, corrective action is taken immediately, and our risk management system is reviewed accordingly. In 2024-2025, additional training on the specific topics of forced and child labour will be developed and rolled out to employees.

Supply Chain Audit

Endress+Hauser Canada monitors tier one suppliers through predictive risk gathering tools, which continuously screen and monitor vendors. Suppliers deemed mid to high risk receive additional investigation to ensure compliance to our Code of Conduct. Social and environmental standards are an integral part of many procurement processes.

Endress+Hauser Canada primarily sources from our affiliated production centers. Our product centers are certified in accordance with ISO 9001 (quality management) and more than four-fifths of production sites are certified in line with ISO 14001 (environmental management) and ISO 45001 (occupational health and safety). The Endress+Hauser Group is continuing to develop additional supplier audit mechanisms that place additional focus on human rights and fair labor conditions. In 2024, Endress+Hauser will send letters to all of its third-party suppliers detailing its commitment to fair labor conditions and its prohibition on forced and child labour.

Whistleblower

Our whistleblowing process for human rights and environmental concerns can be used to report violations the Code of Conduct, including human rights or environmental obligations. An independent complaints team at the Group level carefully processes all tips and initiates appropriate measures. The system is designed so that a secure mailbox must be set up for further communication with the whistleblower. The whistleblower can remain completely anonymous if desired. Information on potential human rights or environmental issues that reaches us by means other than the whistleblower system will be handled according to the same rules and processes. This whistleblower process is available for both Endress+Hauser employees and members of the public so that business partners, suppliers, and third parties can confidentially report information regarding potential human rights violations or environmental issues.

3. Endress+Hauser Canada Structure, Activities and Supply Chains.

Structure

Endress+Hauser Canada is a privately owned Swiss family-based company. The organization was founded in 1953 by Georg Endress and Lugwid Hauser. Endress+Hauser Canada Ltd has been serving the Canadian market since 1990. The

national head office is located at 1244 International Blvd, Burlington ON, L7L 0K2. Locally, Endress+Hauser Canada is managed by its General Manager in coordination with its Senior Leadership Team.

Globally, the Endress+Hauser Group is comprised of a network of 131 legally independent companies managed and coordinated by Endress+Hauser AG. Management is in the hands of the Executive Board of Endress+Hauser AG and an independent supervisory advisory body, the Supervisory Board. The Group implemented Group-wide structures for managing sustainability issues in 2022. A corporate sustainability officer drives the Group-wide harmonization of sustainability issues together with the sustainability office and in close cooperation with local sustainability managers. In 2023, the Group created the new Committee for Audits, Risk, and Sustainability at the Supervisory Board Level. Overall, responsibility for respecting and safeguarding human rights lies with the Executive Board of the Endress+Hauser Group. Monitoring and control of human rights related activities is delegated to the Group's human rights officer, a position that reports directly to the Executive Board.

Activities

Endress+Hauser is a global leader in measurement and automation technology for process and laboratory applications. Endress+Hauser Canada primarily serves and supports the sale and service of the Endress+Hauser Group products in the Canadian domestic market.

Supply Chains

Endress+Hauser Canada Ltd, sells, imports, and distributes Endress+Hauser products from our 16 manufacturing facilities based in Europe, USA and Asia. Additionally, third party products and services are sourced from 348 local vendors.

4. [Company policies and due diligence processes in relation to forced labour and child labour.](#)

The Endress+Hauser Group firmly believes that integrity and ethical behavior are among the most important pillars of a sustainably successful company. We are therefore

committed to respecting and safeguarding human rights as outlined in internationally recognized human rights principles and the United Nations Guiding Principles on Business and Human Rights. To ensure due diligence, we maintain a human rights and environmental risk management system for our own business area and supply chains.

The Endress+Hauser Code of Conduct defines our fundamental rules of conduct and reflects the expectations of our behavior in our daily business activities. Specifically, Section 2 of our Code of Conduct details our commitment to Fair Working Conditions. It states:

We protect our associates from unfair and unethical working conditions.

We do not tolerate bonded, forced or child labor or any unsafe working conditions.

We ban products and services resulting from bonded, forced or child labor or unsafe working conditions.

Additionally, Section 19 of the Code of Conduct outlines our commitment to Human Rights and Labor Standards. It states:

Our actions are guided by the principles of the United Nations Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the core labor standards of the International Labor Organization (ILO), as well as the United Nations Guiding Principles on Business and Human Rights, Sustainability and Environment.

5. Risk of forced labour or child labour being used and the steps we have taken to assess and manage that risk.

Endress+Hauser Canada aims to ensure compliance with forced labour in supply chains within the company and along its supply chains and to minimize the risk of violations of such rights and obligations. As such we rely on a wealth of preventative measures within the framework of our risk management system to ensure that our suppliers adhere to human rights and environmental standards, including child labour prohibitions. We

expect our suppliers to commit to a Code of Conduct that protects human rights and prohibits child and forced labour.

With the help of regular predictive risk analysis, we systematically investigate and evaluate the potential impact of our business activities on people and the environment within our own company and our suppliers. We carry out general preventative measures such as online training programs, supplier days, and on-site visits. At the Group level, we also use risk analysis software that monitors suppliers for potential violations by screening online media.

Particular attention is paid to health, occupational safety, the environment and labour standards. Certifications, e.g. to ISO 14001 (environmental protection) or ISO 9001 (quality management system), Certificate of Recognition COR™, are an important basis for identifying, eliminating or minimizing site-specific risks. The analysis of risks relating to supply chains is carried out continuously and recurrently in the following steps: Using an abstract risk analysis based on our procurement structure and associated sector and country risks, suppliers are assessed and prioritized according to potential risk positions, particularly in regions with increased country risk. Suppliers with an increased predisposition to risk are subjected to a plausibility check as part of a specific risk analysis by obtaining and evaluating further information. The risks identified are weighted and prioritized according to their severity, probability of occurrence, causal contribution, and potential influence. The priority risks form the starting point for further improvements in preventive and remedial measures.

6. Remediation of any forced labour or child labour.

We live a zero-tolerance policy regarding compliance with human rights and environmental due diligence obligations. Where misconduct is identified, corrective action is taken immediately, and our risk management system is reviewed accordingly. We expect our suppliers to comply with our fundamental rules of conduct. Accordingly, we obtain confirmation that they recognize a code of conduct for business partners that is customary in the industry. We also expect our suppliers to enforce these rules of conduct vis-à-vis their suppliers. If increased risks or specific suspected cases of violations of human rights or environmental due diligence obligations are uncovered, for example

through supplier audits or complaints mechanisms, we investigate these carefully and take the necessary measures to prevent, end or minimize these violations. The results of the risk analysis and the effectiveness of preventive and remedial measures are continuously incorporated into our corporate decision-making processes when selecting and managing our suppliers.

7. Remediation of loss of income or the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

To date there have been no identified or reported instances of loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

8. Training provided to employees on forced labour and child labour.

All Endress+Hauser employees worldwide are regularly exposed to and trained in the Code of Conduct. The Endress+Hauser Code of Conduct defines our fundamental rules of conduct and reflects the expectations of our behavior in our daily business activities. As noted above, the Code of Conduct specifically covers our commitment to fair labour conditions, our commitment to human rights, and our prohibition against forced and child labour.

The Executive and the Supervisory Board have approved the Endress+Hauser Code of Conduct and fully support initiatives to have it globally implemented and enforced.

The extended leadership team (all managers and supervisors) sign the code of conduct self-declaration each year and employees every 3 years. If there are changes in the Code of Conduct policy, all employees are instructed to acknowledge the revised policy. All employees receive mandatory training on the Code of Conduct at least every three (3) years.

